

Message Text

CONFIDENTIAL

PAGE 01 COPENH 02345 082022Z
ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 CIAE-00 DODE-00 NSAE-00
NSCE-00 SSO-00 ICAE-00 INRE-00 PM-05 H-01 INR-10
L-03 PA-01 SP-02 SS-15 EB-08 OMB-01 TRSE-00 /072 W
-----064420 082026Z /43

O R 081937Z APR 78
FM AMEMBASSY COPENHAGEN
TO SECSTATE WASHDC IMMEDIATE 6316
INFO EC COLLECTIVE
USMISSION GENEVA

C O N F I D E N T I A L COPENHAGEN 2345

BRUSSELS ALSO FOR USEEC

GENEVA ALSO FOR MTN

E.O. 11652: GDS
TAGS: ECIN, EFIN, ENRG, ETRD, DA, PDIP
SUBJECT: THE APRIL 7-8 EUROPEAN COUNCIL'S DILIBERATIONS (IN COPEN-
HAGEN ON THE ECONOMIC AND SOCIAL SITUATION

REF: COPENHAGEN 2337

1. THIS CABLE CONTAINS BACKGROUND INFORMATION ON THE "CONCLUSIONS OF THE PRESIDENCY": THE ECONOMIC AND SOCIAL SITUATION," THE TEXT OF WHICH WAS TRANSMITTED IN REFTEL. MOST OF THE COMMENTARY THAT FOLLOWS WAS SUPPLIED BY PERMANENT UNDER SECRETARY ERSBOLL.

2. THE SELECTION OF 4.5 PERCENT AS THE DESIRABLE GROWTH RATE TO ACHIEVE BY MID-1979 (PARAGRAPH 1 OF TEXT) REFLECTS THE OPINION OF COMMUNITY EXPERTS THAT SUCH A RATE MUST BE OBTAINED IF INRADS ARE TO BE MADE IN THE UNEMPLOYMENT SITUATION, WHICH IS NOW REGARDED AS THE COMMUNITY'S KEY ECONOMIC DIFFICULTY. THIS FIGURE ALSO REFLECTS "THE PRUDENT VIEW OF GERMANY." ALL OF THE PARTICIPANTS IN THE EUROPEAN COUNCIL WANT TO AVOID CONTROVERSY ON THIS FIGURE FOR
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 COPENH 02345 082022Z

FEAR THAT DOUBTS WILL ARISE AS TO WHETHER OR NOT SUCH GROWTH IS ACHIEVABLE.

3. PARAGRAPH 2 OF THE TEXT ON MONETARY MATTERS WAS EXPRESSLY KEPT SHORT AND NON-COMMUNICATIVE BECAUSE THE HEDS OF STATE AND MINISTERS DO NOT WANT ANYTHING SAID EVEN THOUGH "THEY DISCUSSED THE MATTER IN DEPTH." GISCARD D'ESTAING AFFIRMED THAT HE "WANTED THE FRANC

TO APPROACH OTHER EUROPEAN CURRENCIES." AND CALLAGHAN, WHO HAD COME WITH HIS FIVE-POINT PROGRAM, WAS SATISFIED WITH THE STATE-MENT ON MONETARY MATTERS AS IT APPEARED IN THE TEXT. ERSBOLL SENSED A CHANGE IN THE GERMANS, WHO HE FEELS ARE INCREASINGLY POSITIVE TOWARD EC INTERNAL COMMITMENTS SUCH AS INCREASED LOAN FACILITIES AND INCREASING THE CAPITAL OF THE EUROPEAN INVESTMENT BANK. ERSBOLL THOUGHT THE NINE'S THINKING ON THESE ISSUES WILL "BECOME CLEAR IN THE NEXT FEW MONTHS."

4. IN ADDITION TO WHAT PARA 4 OF THE TEXT SAYS ON ENERGY ERSBOLL STATED THAT SUPPORT FOR PRESIDENT CARTER'S ENERGY PROPOSALS (E.G., REDUCED OIL IMPORTS) WAS EXPRESSED, AND THAT PRIME MINISTER ANKER JORGENSEN WAS ASKED SPECIFICALLY TO MENTION THIS IN HIS PRESS BRIEFING THIS.

5. REGARDING PARAGRAPH 6 ON WORLD TRADE, THE DANES WERE PLEASED THAT THE COUNCIL ACCEPTED WHAT SEEMED TO THEM A "STRONG STATEMENT OF SUPPORT OF MTN."

6. ON THE "NEED TO RESTORE COMPETITIVENESS IN INDUSTRIES" (PARA 6 OF THE TEXT), ERSBOLL SAID THAT THIS WORDING REPRESENTED THE DANISH-GERMAN VIEWPOINT. OTHERS HAD SIMPLY WANTED TO TALK ABOUT PROVIDING AID TO DISTRESSED INDUSTRIES WITHOUT REFERENCE TO COMPETITIVENESS.

7. REFERRING TO PARA 8 OF TEXT ON AGRICULTURAL PROBLEMS OF THE
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 COPENH 02345 082022Z

MEDITERRANEAN REGIONS, ERSBOLL SAID THAT A BREAKTHROUGH HAS OCCURRED IN THE FORM OF ITALIAN ACCEPTANCE OF COMMISSION PROPOSALS, WHICH ARE LESS RADICAL THAN THOSE EARLIER ESPOUSED BY ITALY. ERSBOLL THOUGHT THIRD COUNTRIES SHOULD BE PLEASED SINCE THEY CAN NOW BE ASSURED OF A MORE SENSIBLE EC POLICY. (IN RESPONSE TO A QUESTION BY THE AMBASSADOR, ERSBOLL STATED THAT NO DISCUSSIONS OF US-EC CITRUS PROBLEM TOOK PLACE IN THIS CONTEXT.).
DEAN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 08 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978COPENH02345
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780153-0018
Format: TEL
From: COPENHAGEN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780478/aaaacoeo.tel
Line Count: 102
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 0db4aab3-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 COPENHAGEN 2337
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 16 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3030947
Secure: OPEN
Status: NATIVE
Subject: THE APRIL 7-8 EUROPEAN COUNCIL'S DILIBERATIONS (IN COPEN- HAGEN ON THE ECONOMIC AND SOCIAL SITUATION
TAGS: ECIN, EFIN, ENRG, ETRD, PDIP, SOCI, DA
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/0db4aab3-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014